

**Three Year General Fund Financial Outlook
FY 2008-09 to FY 2010-11**

Prepared Pursuant to Act 156 of 2005
§11-11-350

State Budget and Control Board
Office of State Budget

December 2007

Three Year General Fund Financial Outlook
FY 2008-09 to FY 2010-11
Based on Enacted FY 2007-08 Budget
(Dollars in Millions)

		Projections		
	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
	"Base Year"			
<u>Resources:</u>				
Beginning Balance		\$0.0	\$0.0	\$0.0
Adjustments	114.6			
Revenue (BEA Long Range Revenue Forecast, 11/8/2007)	7,107.8	7,336.4	7,811.6	8,241.4
Tax Relief Trust Fund Transfers	(507.8)	(527.7)	(552.0)	(571.9)
General Reserve Fund Transfer	(19.0)			
Total Revenue/Resources	\$6,695.6	\$6,808.7	\$7,259.6	\$7,669.5
<u>Expenditures and Reserve Fund Contributions:</u>				
Baseline (Enacted FY 07-08 Recurring Budget)	\$6,716.8	\$6,716.8	\$6,716.8	\$6,716.8
<u>Constitutional/ Statutory Items:</u>				
Reserve Funds: General Reserve and Capital Reserve (CRF)		21.6	20.4	30.9
Local Government Fund		19.5	16.9	26.3
Debt Service		(8.8)	(29.7)	(42.9)
<u>Major Expenditure Categories:</u>				
K-12 Education		185.7	273.6	365.0
Medicaid		55.0	114.0	175.0
Social Services and Corrections		10.2	24.8	28.4
Higher Education Scholarship Growth (LIFE & Palmetto Fellows)		19.6	31.2	43.4
State Employee Compensation Changes (2.0% per year)		39.6	79.2	118.8
State Employee Health Plan-retiree growth + rate increase		35.8	65.8	123.7
Total Expenditures	\$6,716.8	\$7,095.0	\$7,313.0	\$7,585.4
Ending Balance (Deficit Indicates Potential Budget Gaps)	(\$21.2) *	(\$286.3)	(\$53.4)	\$84.1

*Should a budget gap exist at the end of FY 07-08, funding it would be the first priority of the capital reserve fund.

Projected CRF Funds Available for Nonrecurring Expenditures	\$124.5	\$133.2	\$132.0
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The Notes and Assumptions are an integral part of this Financial Outlook.

Notes

The three year General Fund Outlook is prepared by the Office of State Budget in consultation with the Board of Economic Advisors in accordance with Section 11-11-350 of the S. C. Code of Laws, 1976. The Outlook is a three-year revenue and spending projection based on the enacted FY2007-08 operating General Fund budget.

The spending projections are cumulative and the estimates are based on the FY2007-08 enacted budget and major expenditure categories contained therein. Unless noted below, future years do not include any increases over the baseline expenditures (FY2007-08 enacted budget).

The budget gap on the previous page reflects a structural imbalance between projected revenue growth and expenditure increases based on the FY2007-08 enacted budget. The budget gap is primarily the result of the slowing of South Carolina's economic growth which mirrors the national economy. South Carolina's constitutional requirement that the state have a process to produce a balance state budget will require the General Assembly to eliminate this gap by making revenue enhancements and/or expenditure adjustments in the upcoming FY2008-09 general fund budget.

This document is intended to be used for planning purposes only and should not be viewed as requiring that the major expenditure items listed must be funded by the General Assembly. The Outlook does not attempt to capture every agency's needs or budget requests.

Resource/Revenue Assumptions

- ❖ The beginning balance for each fiscal year equals the ending balance of the prior fiscal year (difference between Revenue and Expenditures). If the balance for the prior fiscal year is less than zero, the beginning balance for the next fiscal year is assumed to be zero.
- ❖ The adjustments of \$114.6 million in FY2007-08 reflect the nonrecurring revenue sources included in the enacted budget.
- ❖ The Board of Economic Advisors (BEA) long range general fund revenue forecast is based upon the November 8, 2007 forecast for FY2008-09 adopted by the BEA. The FY2008-09 revenue estimate serves as the base for the long range forecast. The latest completed 10-year compound average growth rate of personal income was applied to the FY2008-09 estimate. The historical annual growth rate of personal income between FY1996-97 and FY2006-07 averaged 5.3% per year, which includes a recession. This process was repeated for each revenue category in the General Fund. The long range forecast methodology is summarized as follows:
 - The BEA adopted personal income growth rates of 5.3% in FY2007-08 and 4.0% in FY2008-09 on November 8, 2007 during its statutorily-required meeting.
 - Actual growth in the sales tax averaged 4.9% from FY1996-97 to FY2006-07 and is forecast to increase near its 10-year average growth rate. The sales tax is expected to increase less than personal income with an elasticity of 0.99 throughout the forecast period.
 - The individual income tax is forecast to grow faster than personal income at 5.8% with an elasticity of 1.1 throughout the forecast period.

- The long range revenue forecast incorporates legislative changes enacted in 2007 that affect general fund revenue collection including: cutting the 2.5% bracket of the individual income tax to zero and the elimination of the sales tax on groceries effective November 1, 2007. The detailed three year general fund revenue forecast by revenue category is included on page 10.
- The Property Tax Reform Act, Act No. 388 of 2006, eliminates all school operating taxes on owner occupied homes and increases the state sales tax by one cent to replace the reduced property tax revenue stream. The new revenue from the one cent sales tax increase is earmarked for a newly created Homestead Exemption Fund which will replace lost property taxes beginning in FY2007-08. Funding to school districts in the first year is based on what would have been collected under the old system. In subsequent years, the school district funding requirement is based on inflation plus population growth factors. The Act provides that should there be a shortfall in revenue in the Homestead Exemption Fund the general fund will pay the difference.

The three year revenue forecast for the Homestead Exemption Fund projects **no impact** on the General Fund and a “surplus” of receipts over school funding requirements designated for county operations tax relief. The inflation and population growth rate forecast for school reimbursement is 4.3% in FY2008-09 through FY2010-11. The surplus of receipts over school funding requirements will range from \$54.5 million in FY2008-09 to \$94.1 million in FY2010-11.

Expenditure Assumptions

K-12 EDUCATION

- ❖ **Education Finance Act (EFA)** – The Base Student Cost was estimated to be \$2,578 in FY2008-09, \$2,668 in FY2009-10, and \$2,761 in FY2010-11. The corresponding inflation factors are 4.12% for FY2008-09 and 3.5% for FY2009-10 and FY2010-11. The Weighted Pupil Units growth rate was estimated at 0.9% annually over the BEA's FY2008-09 estimate. Estimated incremental cost: FY2008-09 \$91.3 million, FY2009-10 \$82.3 million, FY2010-11 \$85.7 million.

- ❖ **Early Childhood Education** – Proviso 1.75 of the FY2006-07 Appropriation Act established a two-year 4-K pilot program pursuant to the court's December 2005 ruling in Abbeville County School District et. al. vs. South Carolina. The voluntary program available first in the eight trial districts provides funding based on the EFA formula plus \$185 per student for transportation. Grants of \$10,000 are available for equipping and furnishing each additional classroom. The Education Oversight Committee (EOC) will issue recommendations for a statewide program in January 2008. Estimated cost for FY2008-09 assumes continuation of the pilot program serving 4,500 children at a funding level of \$19.5 million. No incremental increase is estimated for FY 2009-10 and FY 2010-11 pending the EOC's recommendations.

- ❖ **School Bus Maintenance** - To replace nonrecurring funding. Estimates are for operating expenses and fuel costs at \$2.50/gallon, plus all other operating costs at FY2007-08 levels. Future years include a 5% inflation rate for fuel only. Estimated incremental cost: FY2008-09 \$29.5 million, FY2009-10 \$1.6 million, FY2010-11 \$1.7 million.

- ❖ **School Buses** - Act 79 of 2007 established a school bus replacement cycle that will result in a complete replacement of the fleet every fifteen years. Estimated incremental cost: FY2008-09 \$24.1 million. Additional funds are not needed in FY2009-10 or FY2010-11.
- ❖ **National Board Certification** – The number of National Board certified teachers for FY2007-08 is 5,150. An additional 480 teachers are expected to be certified in FY2008-09, for a total of 5,630. It is estimated that an additional 440 teachers will be certified as well in both FY2009-10 and FY2010-11. Estimated incremental cost: FY2008-09 \$2.1 million, FY2009-10 \$4 million, FY2010-11 \$4 million.
- ❖ **Student Health and Fitness Act** – Enacted in June 2005, this Act designates the amount of physical education that students in grades K-5 receive each week, and requires that by FY2008-09 the physical education teacher to student ratio shall be at least 500 to 1 in elementary grades. Estimated incremental cost: FY2008-09 \$6.4 million. Additional funds are not needed in FY2009-10 or FY2010-11.
- ❖ **Summer School** – To replace nonrecurring funding. The estimates for FY2008-09 through FY2010-11 represent the \$12.8 million portion of the program that was funded with nonrecurring Education Improvement Act (EIA) funds in the FY2007-08 Appropriation Act.

MEDICAID

- ❖ **Medicaid Program** – The estimate assumes 6% growth in FY2008-09 with a .3023 State match rate; 6% growth in FY2009-10 with a .2974 State match rate; with 6% growth in FY2010-11 with a .2936 State match rate. The estimate for Medicaid incorporates the impact of the Healthy Connections (Coordinated Care) rollout, which is

expected to assist in containing growth rates. Estimated incremental cost: FY2008-09 \$55.0 million, FY2009-10 \$59.0 million, FY 2010-11 \$61.0 million.

SOCIAL SERVICES AND CORRECTIONS

- ❖ **Department of Social Services Child Support Enforcement** - Child Support Enforcement Statewide Automated System Development - Funding is required to develop and implement a federally mandated statewide automated system for Child Support Enforcement as well as to pay for penalties currently imposed on the state by the federal government. Estimated non-recurring incremental cost: FY2008-09 \$9.0 million, FY2009-10 \$12.2 million. Additional funds are not needed in FY2010-11.
- ❖ **Department of Corrections Inmate Population** - Estimate based on an average increase in the inmate population of 400 inmates per year. Estimated incremental cost: FY2008-09 \$1.2 million, FY2009-10 \$2.4 million, and FY2010-11 \$3.6 million per year.

HIGHER EDUCATION SCHOLARSHIP GROWTH

- ❖ **LIFE & Palmetto Fellows Scholarships** – In FY2007-08, the LIFE and Palmetto Fellows scholarships were enhanced to include additional stipends for math and science majors. The estimate for FY2008-09 assumes 9.6% and 13.3% growth rates over FY2007-08 for LIFE and Palmetto Fellows scholarships, respectively. Estimates for FY2009-10 and FY2010-11 assume 5% and 7.5% growth rates over the previous year's estimates. Estimated incremental cost: FY2008-09 \$19.6 million, FY2009-10 \$11.6 million, FY2010-11 \$12.2 million.

STATE EMPLOYEE COMPENSATION

- ❖ Estimate was based upon the salaries of agency heads, classified and unclassified positions, local health care providers and school bus drivers. 1% increase = \$19.8 million.

STATE EMPLOYEE HEALTH PLAN

- ❖ Retiree Growth and Rate Increase - Calendar Year 2008 employer base (State funds only) is \$571,809,654; Annualization involves funding final six months (Jul-Dec) of increase effective prior January; Employer rate increase involves funding first six months (Jan-Jun) of increase effective January of the fiscal year. Projected annual premium growth rate effective 1/2009 0%; 1/2010 8.0%; 1/2011 8.0%.
- ❖ Employer pays in the same proportion that is in place in January 2008 for 2009, 2010, and 2011; Retiree enrollment growth for FY2008-09 based on recent experience plus 3.5% net growth; Retiree enrollment growth for FY2009-10 and FY2010-11 estimated at 3.5% per year net growth. Estimated cost: FY2008-09 \$35.8 million, FY2009-10 \$30.0 million, FY2010-11 \$57.9 million.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

- ❖ Beginning with the FY2007-08 Comprehensive Annual Financial Report (CAFR), the state will implement the reporting requirements of the Government Accounting Standards Board (GASB) Statement #45 pertaining to other post-employment benefits (OPEB). Currently, the health insurance benefit for retirees is provided on a pay-as-you-

go basis with this cost included in the FY2007-08 “base” operating budget. The state’s unfunded liability with regard to OPEB is estimated at \$9.2 billion. In January 2007, a special study committee on the state’s OPEB obligation recommended that the state create a Retiree Health Insurance Trust Fund to help fund the OPEB liabilities. The FY2007-08 base budget includes \$47.4 million of recurring funding for an OPEB Trust Fund. The enabling legislation was passed by the S.C. House of Representatives in 2007 and will be considered by the S.C. Senate in 2008. Accordingly, the three year General Fund Financial Outlook does not include funding projections beyond the FY2007-08 base.

PERSONAL INCOME GROWTH
FY08 - 5.3%; FY09 - 4.0%
FORECAST PERIOD: FY10 TO FY11 - 5.3%

LONG RANGE GENERAL FUND REVENUE FORECAST
FISCAL YEARS FY2005-06 TO FY2010-11
(DOLLARS)

REVENUE CATEGORIES	FINAL FY 2005-06	FINAL FY 2006-07	11/09/07 ESTIMATE FY 2007-08	11/08/07 ESTIMATE FY 2008-09	WORKING ESTIMATE FY 2009-10	WORKING ESTIMATE FY 2010-11
RETAIL SALES TAX 1/	2,483,596,992	2,609,151,501	2,565,901,994	2,724,410,617	2,929,657,178	3,083,471,132
EXCISE, CASUAL SALES TAX	21,823,926	22,070,729	24,174,212	25,442,633	26,777,608	28,182,629
INDIVIDUAL INCOME TAX	2,995,477,875	3,347,490,746	3,407,749,952	3,474,309,582	3,722,653,967	3,944,692,966
CORPORATION INCOME TAX	286,144,766	300,608,201	328,775,015	300,952,772	307,207,828	313,587,984
SALES AND INCOME TAXES	5,787,043,559	6,279,321,177	6,326,601,173	6,525,115,604	6,986,296,580	7,369,934,711
ADMISSIONS/BINGO TAX	31,317,326	33,505,171	32,557,952	34,173,324	35,874,312	37,665,451
ADMISS. TAX TRANSFER TO COMMERCE	(5,885,835)	(5,740,048)	(6,369,143)	(6,706,708)	(7,042,043)	(7,394,145)
AIRCRAFT TAX	4,580,111	4,821,373	5,115,477	5,115,477	5,248,479	5,384,940
ALCOHOLIC LIQUOR TAX	51,936,748	56,065,761	54,865,396	56,237,031	57,842,957	59,084,031
BANK TAX	28,214,333	23,569,805	32,848,283	34,425,001	36,077,401	37,809,116
BEER AND WINE TAX	98,008,570	99,568,753	102,568,811	104,825,325	107,131,482	109,488,375
BUSINESS LICENSE TAX	31,980,302	31,672,210	33,337,578	33,670,954	34,007,663	34,347,740
COIN-OPERATED DEVICES	1,179,663	1,146,711	1,106,559	1,284,316	1,051,231	1,438,434
CORPORATION LICENSE TAX	71,557,850	65,161,042	72,328,756	73,918,514	75,543,247	77,203,723
DEPARTMENTAL REVENUE 3/	49,118,555	44,195,692	49,638,711	43,992,056	43,992,056	43,992,056
DOCUMENTARY TAX	85,070,305	75,205,284	71,445,020	77,160,621	83,333,471	90,000,149
LESS: CONSERVATION BANK TRUST FUND	(21,055,192)	(19,006,698)	(17,861,255)	(19,290,155)	(20,833,368)	(22,500,037)
EARNED ON INVESTMENTS	69,852,997	128,756,090	107,000,000	93,000,000	93,000,000	93,000,000
ELECTRIC POWER TAX	24,772,698	28,145,254	26,485,879	27,386,399	28,317,536	29,280,333
LESS: TRANSFER TO NON-FED HGWY FUND	(7,000,000)	(14,000,000)	(26,485,879)	(27,386,399)	(28,317,536)	(29,280,333)
ESTATE AND GIFT TAXES	62,437,081	1,542,120	0	0	0	0
LESS: FEDERAL CHANGE TO ESTATE TAX	(59,200,000)	0	0	0	0	0
INSURANCE PREMIUM TAX	141,021,700	159,060,984	154,763,263	162,303,821	172,204,355	182,708,821
INSURANCE LICENSE TAX	10,424,281	23,089,265	11,727,316	26,386,461	13,193,231	29,684,769
INSURANCE RETALIATORY & OTHER TAX	4,785,879	4,852,160	5,000,000	5,000,000	5,000,000	5,000,000
LESS: INSURANCE CREDITS	(17,196,097)	(19,504,715)	(17,196,097)	(17,196,097)	(17,196,097)	(17,196,097)
MOTOR TRANSPORT FEES	10,556	4,427	11,000	20,000	11,000	20,000
MOTOR VEHICLE LICENSES	127,134,572	125,269,630	132,270,809	134,916,225	137,614,550	140,366,841
LESS: INFRASTR. BANK TRANSFER-TRUCK	(58,100,000)	(58,134,937)	(59,959,200)	(62,965,730)	(61,877,894)	(59,892,065)
LESS: HIGHWAY FUND TRANSFER-CAR	(3,746,553)	(7,842,915)	(8,462,322)	(8,390,089)	(9,147,331)	(10,094,955)
LESS: TRANSFER TO NON-FED HGWY FUND	(14,177,105)	(26,757,335)	(56,910,072)	(48,209,510)	(48,852,495)	(49,829,545)
PETROLEUM INSPECTION TAX	8,817,600	6,116,825	9,066,221	9,374,473	9,505,715	9,638,795
LESS: TRANSFER TO NON-FED HGWY FUND	(3,742,934)	(6,492,949)	(9,066,221)	(9,374,473)	(9,505,715)	(9,638,795)
PRIVATE CAR LINES TAX	3,374,612	2,917,749	3,834,761	4,034,169	4,243,945	4,464,630
PUBLIC SERVICE AUTHORITY	14,953,629	14,993,000	15,864,305	16,340,234	16,830,441	17,335,354
RETAILERS LICENSE TAX	832,752	884,264	866,394	883,722	901,396	919,424
SAVINGS & LOAN TAX	3,419,616	2,985,050	3,885,901	4,002,478	4,270,644	4,556,777
WORKERS COMP. INSURANCE	13,142,396	14,473,981	14,078,463	14,655,680	15,256,563	15,882,082
CIRCUIT/FAMILY COURT FINES	9,655,254	9,977,637	9,966,694	10,664,363	10,845,657	11,030,033
DEBT SERVICE TRANSFERS	2,161,062	2,148,612	1,722,838	1,722,838	1,722,838	1,722,838
INDIRECT COST RECOVERIES	18,009,419	15,736,374	16,679,391	16,679,391	16,679,391	16,679,391
MENTAL HEALTH FEES	3,800,000	3,600,000	3,400,000	3,200,000	3,200,000	3,200,000
PAROLE / PROBATION FEES	3,382,290	3,402,305	3,392,808	3,392,808	3,392,808	3,392,808
UNCLAIMED PROPERTY FUND	15,000,000	15,000,000	12,000,000	12,000,000	12,000,000	12,000,000
OTHER BASE SOURCES	799,848,461	845,470,981	781,224,293	811,246,511	825,319,889	871,470,937
TOTAL GENERAL FUND REVENUE	6,586,892,020	7,124,792,158	7,107,825,466	7,336,362,115	7,811,616,469	8,241,405,648
APPROPRIATION ACT REVENUE	5,965,877,763	6,589,516,369	7,107,825,466	7,336,362,115	(552,032,076)	(571,905,231)
LESS: TAX RELIEF TRUST FUND	(513,870,537)	(515,396,670)	(521,643,795)	(532,849,494)		
PLUS: TAX RELIEF FUND CARRYFORWARD	7,589,618	10,752,036	13,797,464	5,145,216		
EXCLUDING TRUST FUND	5,459,596,844	6,084,871,735	6,599,979,135	6,808,657,837	7,259,584,393	7,669,500,418
CAPITAL RESERVE FUND (2%) - BEG. BAL.	102,325,596	111,821,213	124,520,532	133,170,058	131,723,633	136,070,252
GENERAL RESERVE FUND (3%) - BEG. BAL.	153,488,394	167,731,819	186,780,797	199,755,087	197,585,450	204,105,379
TOTAL RESERVES	255,813,990	279,553,032	311,301,329	332,925,145	329,309,084	340,175,631
REVENUE EXCESS / SHORTAGE	621,014,257	535,275,789	0			
EDUCATION IMPROVEMENT ACT 2/	659,695,322	667,681,569	689,875,000	674,714,375	741,628,712	780,408,271
EIA FUND	656,829,372	644,411,430	659,500,000	671,714,375	738,628,712	777,408,271
EIA HOLD HARMLESS		19,300,000	27,000,000			
EIA INTEREST	2,865,950	3,970,139	3,375,000	3,000,000	3,000,000	3,000,000
S.C. EDUCATION LOTTERY FUND (NET)	300,000,000	273,416,933	252,400,000	252,400,000		
HOMESTEAD EXEMPTION FUND						
TOTAL REVENUE AVAILABLE		574,980,339	594,922,684	594,922,684	641,867,538	675,738,932
SCHOOL REIMBURSEMENT	381,593,753	435,016,878	491,135,455	512,254,279	534,281,213	557,255,306
\$2.5 MILLION REIMBURSEMENT			30,851,612	28,134,977	26,165,529	24,333,942
TOTAL REIMBURS. FOR SCHOOL OPERATIONS			521,987,067	540,389,256	560,446,742	581,589,248
COUNTY TAX RELIEF			52,993,272	54,533,428	81,420,796	94,149,684

1/: Excludes (1%) Education Improvement Act and (2%) Accommodations Taxes.

2/: Includes interest earnings.

3/: Includes former Dept. of Agriculture agency revenue other than the Petroleum Inspection Tax now shown separately.
Source: S. C. Board of Economic Advisors

/12/12/07

PERSONAL INCOME GROWTH
FY08 - 5.3%; FY09 - 4.0%
FORECAST PERIOD: FY10 TO FY11 - 5.3%

LONG RANGE GENERAL FUND REVENUE FORECAST
FISCAL YEARS FY2005-06 TO FY2010-11
(PERCENT CHANGE OVER PRIOR FISCAL YEAR)

REVENUE CATEGORIES	PERCENT CHANGE FY05/FY06	PERCENT CHANGE FY06/FY07	PERCENT CHANGE FY07/FY08	PERCENT CHANGE FY08/FY09	PERCENT CHANGE FY09/FY10	PERCENT CHANGE FY10/FY11
RETAIL SALES TAX 1/	8.1	5.1	-1.7	6.2	7.5	5.3
EXCISE, CASUAL SALES TAX	3.9	1.1	9.5	5.2	5.2	5.2
INDIVIDUAL INCOME TAX	11.3	11.8	1.8	2.0	7.1	6.0
CORPORATION INCOME TAX	32.9	5.1	9.4	-8.5	2.1	2.1
SALES AND INCOME TAXES	10.8	8.5	0.8	3.1	7.1	5.5
ADMISSIONS/BINGO TAX	-0.4	7.0	-2.8	5.0	5.0	5.0
ADMISS. TAX TRANSFER TO COMMERCE						
AIRCRAFT TAX	-11.2	28.9	-18.3	6.1	2.6	2.6
ALCOHOLIC LIQUOR TAX	-5.0	8.0	-2.1	2.5	2.5	2.5
BANK TAX	-2.1	-9.4	28.5	4.8	4.8	4.8
BEER AND WINE TAX	3.4	1.6	3.0	2.2	2.2	2.2
BUSINESS LICENSE TAX	8.0	-1.0	5.3	1.0	1.0	1.0
COIN-OPERATED DEVICES	-36.8	-2.8	-3.5	16.1	-18.1	36.8
CORPORATION LICENSE TAX	-3.9	-8.9	11.0	2.2	2.2	2.2
DEPARTMENTAL REVENUE 3/	-3.0	-3.0	3.3	-3.6	0.0	0.0
DOCUMENTARY TAX	30.2	-11.6	-5.0	8.0	8.0	8.0
LESS: CONSERVATION BANK TRUST FUND						
EARNED ON INVESTMENTS	167.9	84.3	-16.9	-13.1	0.0	0.0
ELECTRIC POWER TAX	-2.8	13.6	-5.9	3.4	3.4	3.4
LESS: TRANSFER TO NON-FED HGWY FUND						
ESTATE AND GIFT TAXES	5.1	-97.5	-100.0			
LESS: FEDERAL CHANGE TO ESTATE TAX						
INSURANCE PREMIUM TAX	5.9	12.8	-2.7	4.9	6.1	6.1
INSURANCE LICENSE TAX	-46.6	121.5	-49.2	125.0	-50.0	125.0
INSURANCE RETALIATORY & OTHER TAX	-39.7	1.4	3.0	0.0	0.0	0.0
LESS: INSURANCE CREDITS	32.1	13.4	-11.8	0.0	0.0	0.0
MOTOR TRANSPORT FEES	-46.1	-58.1	148.5	81.8	-45.0	81.8
MOTOR VEHICLE LICENSES	5.2	-1.5	5.6	2.0	2.0	2.0
LESS: INFRASTR. BANK TRANSFER-TRUCK						
LESS: HIGHWAY FUND TRANSFER-CAR						
LESS: TRANSFER TO NON-FED HGWY FUND						
PETROLEUM INSPECTION TAX	-0.2	-7.9	11.7	3.4	1.4	1.4
LESS: TRANSFER TO NON-FED HGWY FUND						
PRIVATE CAR LINES TAX	41.2	-13.5	31.4	5.2	5.2	5.2
PUBLIC SERVICE AUTHORITY	20.4	0.3	5.8	3.0	3.0	3.0
RETAILERS LICENSE TAX	-10.3	6.2	-2.0	2.0	2.0	2.0
SAVINGS & LOAN TAX	23.0	-12.7	30.2	3.0	6.7	6.7
WORKERS COMP. INSURANCE	-7.6	10.1	-2.7	4.1	4.1	4.1
CIRCUIT/FAMILY COURT FINES	1.3	3.3	-0.1	7.0	1.7	1.7
DEBT SERVICE TRANSFERS	-15.9	-0.6	-19.8	0.0	0.0	0.0
INDIRECT COST RECOVERIES	-0.2	-12.6	6.0	0.0	0.0	0.0
MENTAL HEALTH FEES	0.0	-5.3	-5.6	-5.9	0.0	0.0
PAROLE / PROBATION FEES	-0.3	0.6	-0.3	0.0	0.0	0.0
UNCLAIMED PROPERTY FUND	87.5	0.0	-20.0	0.0	0.0	0.0
OTHER BASE SOURCES	2.5	5.7	-7.6	3.8	1.7	5.6
TOTAL GENERAL FUND REVENUE	9.7	8.2	-0.2	3.2	6.5	5.5
APPROPRIATION ACT REVENUE	6.6	10.5	7.9	3.2		
LESS: TAX RELIEF TRUST FUND	1.7	0.3	1.2	2.1	3.6	3.6
PLUS: TAX RELIEF FUND CARRYFORWARD						
EXCLUDING TRUST FUND	7.3	11.5	8.5	3.2	6.6	5.6
CAPITAL RESERVE FUND (2%) - BEG. BAL.	3.0	9.3	11.4	6.9	-1.1	3.3
GENERAL RESERVE FUND (3%) - BEG. BAL.	104.2	9.3	11.4	6.9	-1.1	3.3
TOTAL RESERVES	46.6	9.3	11.4	6.9	-1.1	3.3
REVENUE EXCESS / SHORTAGE						
EDUCATION IMPROVEMENT ACT 2/	12.8	1.2	3.3	-2.2	9.9	5.2
EIA FUND	12.5	-1.9	2.3	1.9	10.0	5.3
EIA HOLD HARMLESS						
EIA INTEREST	190.3	38.5	-15.0	-11.1	0.0	0.0
S.C. EDUCATION LOTTERY FUND (NET)	23.5	-8.9	-7.7	0.0		
HOMESTEAD EXEMPTION FUND						
TOTAL REVENUE AVAILABLE						
SCHOOL REIMBURSEMENT						
\$2.5 MILLION REIMBURSEMENT						
TOTAL REIMBURS. FOR SCHOOL OPERATIONS						
COUNTY TAX RELIEF						

1/: Excludes (1%) Education Improvement Act

2/: Includes interest earnings.

3/: Includes former Dept. of Agriculture agency
Source: S. C. Board of Economic Advisors